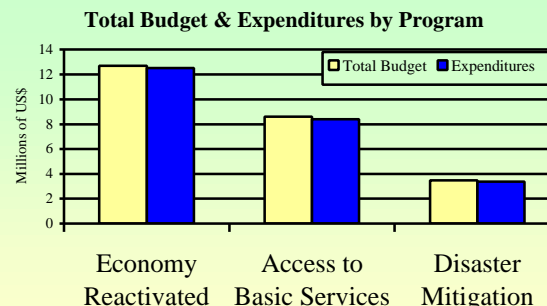
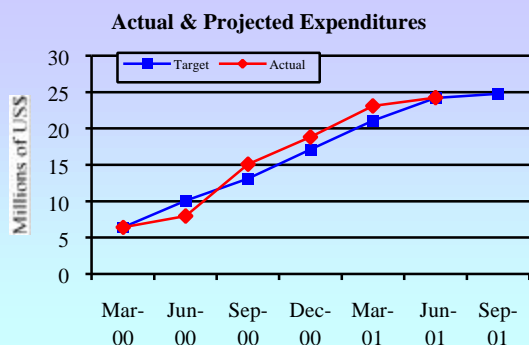


USAID El Salvador Supplemental Reconstruction Programs Response to Hurricane Mitch, October 1998 Status as of June 30, 2001

MAY 1999 SUPPLEMENTAL RECONSTRUCTION FUNDS (CACEDRF)	TOTAL BUDGET	OBLIGATIONS	COMMITMENTS	EXPENDITURES
	\$24,800,000	\$24,800,000	\$24,782,608	\$24,244,975



Impact of Hurricane Mitch

On November 1, 1998, after days of constant rain, nearly 10 inches of rain fell on El Salvador, swelling rivers to record levels, forcing the emergency release of a wall of water from a major hydroelectric dam which produced major mudslides on denuded hillsides, and severely flooding the coastal regions of the Rio Lempa and the Rio Grande de San Miguel. 374 people died and 55,800 people were displaced. Economic damage exceeded \$600 million. Most of the road network suffered severe damages, 18% of the grain harvest was lost, 6% of schools were damaged, and 65,200 hectares were badly flooded.

Initial USAID Response

Immediately after Hurricane Mitch struck, USAID provided \$1 million in emergency humanitarian assistance. In addition, \$3.9 million of Development Assistance and Child Survival Funds was reprogrammed to jump-start reconstruction prior to the

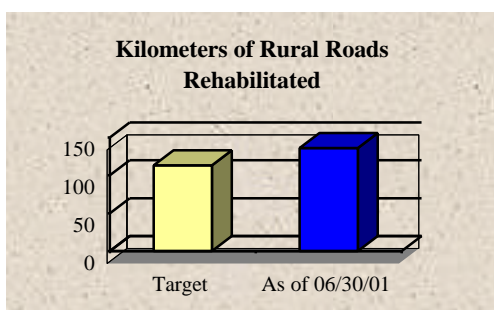
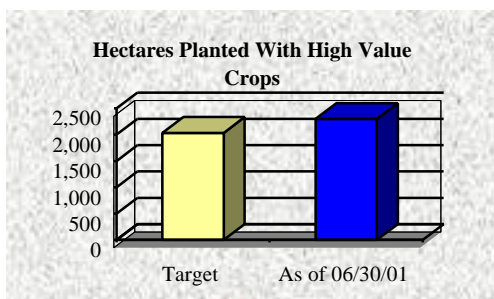
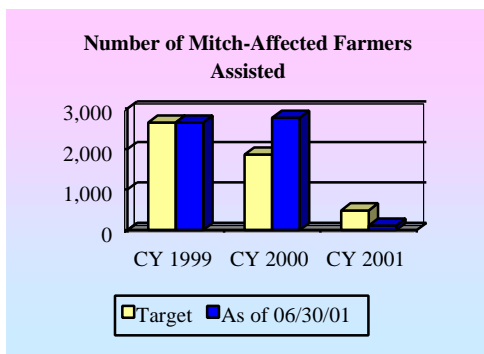
passage of the Supplemental Reconstruction appropriation. USDA donated 40,000 tons of wheat and corn, which generated \$5 million in local currency. These funds have been used to reconstruct housing, rural roads and bridges outside the USAID target areas.

Reconstruction Programs

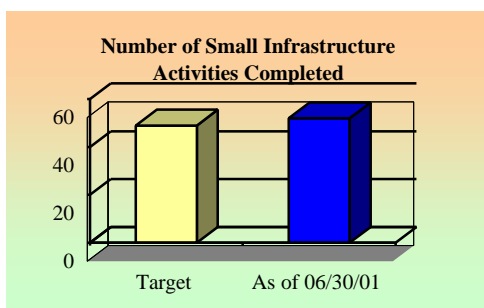
Based on disaster assessments, pledges from donors and an analysis of USAID's capabilities, USAID decided to use Supplemental Funds to support reconstruction in the following areas:

1. Economy Reactivated

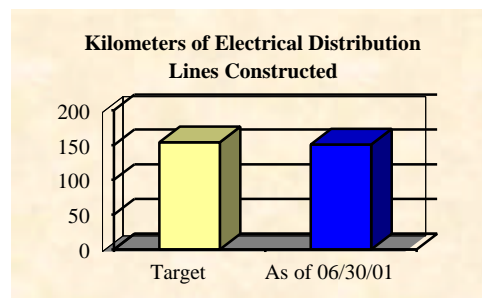
USAID has concentrated most of its efforts in the Lempa-Grande floodplain along the south coastal area, one of the poorest regions of the country. 80% of the farmers in this area lost their entire grain crop. USAID's targets are to assist 5,000 farmers to shift to higher value crops in about 2034 hectares; repair 113 kilometers of rural roads; build 154 kilometers of electric distribution lines; and fund 44 to 54 small infrastructure projects critical to the life of the community such as small bridges, tertiary rural roads, health clinics, levees, and retaining walls.



- A total of 135.8 kilometers of rural roads were rehabilitated.



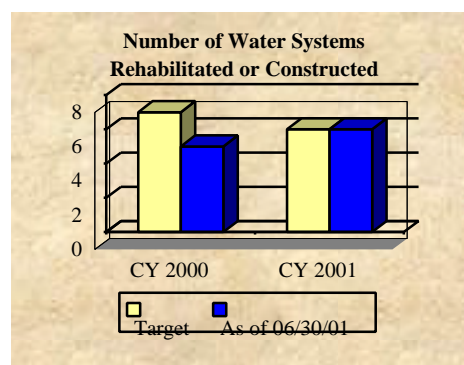
- A total of 52 small infrastructure activities completed. This component worked in 190 communities benefiting approximately 87,802 people.



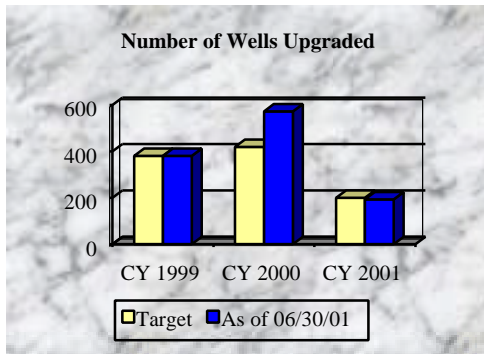
- In addition to the 151 kilometers already constructed, 14 kilometers of electrical distribution lines are currently under construction.

2. Access to Basic Community Services

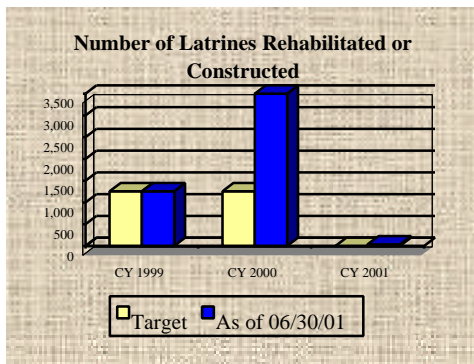
Fifty-five percent of the people in the Lempa-Grande floodplain had their shallow wells and underground water contaminated. USAID is supporting the construction of 13 new water systems serving 19,700 residents where contamination has persisted; the upgrading of 1,000 wells serving an additional 5,500 persons; and the construction of 2,500 latrines to serve 13,900 persons. USAID is also financing the building of 500 houses; the design of these houses has been improved in order to better respond to natural disasters. Similarly, USAID is providing funds to reconstruct 80 schools more resistant to flooding or landslides.



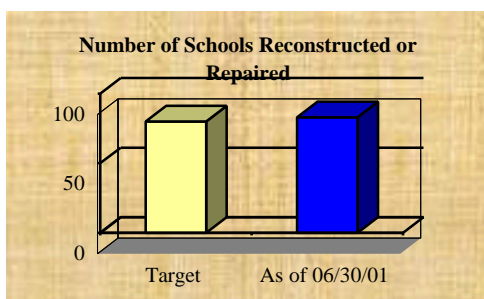
- 11 water systems completed, benefiting 19,745 beneficiaries (3,819 families).



- 1,146 wells have been improved, benefiting 9,546 people. The planned target has already been achieved.

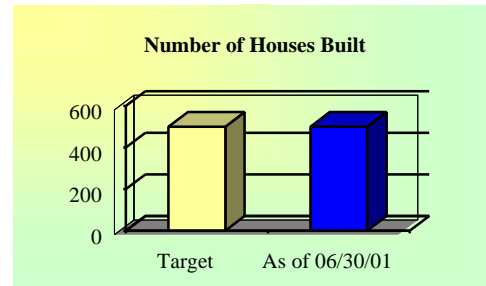


- Within the 5,342 latrines that were completed utilizing Mitch monies, the American Red Cross provided materials for the construction of 968 latrines in a community where health education activities and water system construction were carried out by USAID through CARE.
- Local water committees have been established and trained to provide for sustainability.



- In total, 83 schools assisted, benefiting 208 communities and 18,841 students.

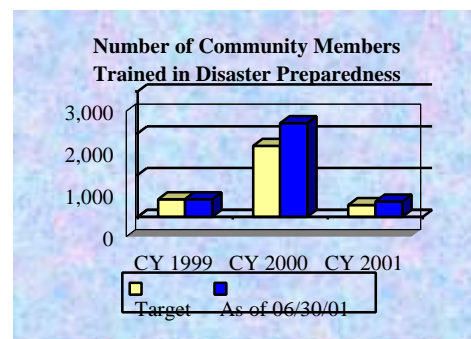
- Also, 4,500 replacement desks were delivered to 59 schools.



- A total of 500 houses completed in 33 communities benefiting more than 2,500 Hurricane Mitch victims.
- Furthermore, 420 solar panels were installed in community buildings, health clinics and schools.

3. Disaster Mitigation

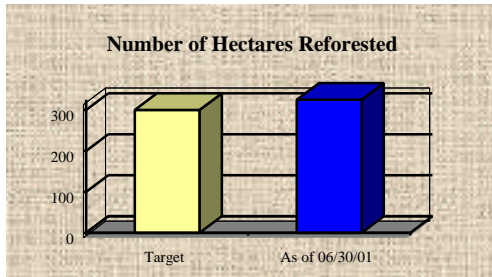
USAID has been working with communities and local governments to identify control measures to respond to critical flood and landslide problems, train 2,400 local residents in disaster preparedness, and reforest 100 hectares in selected critical areas. USAID, through the U.S. Army Corps of Engineers, has developed a flood control plan for the lower Lempa-Grande watershed. USAID is already implementing the immediate actions proposed in the plan. The long-term recommendations previously proposed in the plan are currently being discussed by the GOES.



- 3,028 community members and municipal workers from 120 communities have been trained. The

planned target has already been achieved.

- 10 municipal emergency plans have been improved.



- 533 hectares have been reforested.
- 32 micro-watersheds were improved through water and soil conservation measures and reforestation. Conservation works completed include 23,592 lineal meters of hillside ditches, 57,325 lineal meters of rock walls, 325 cubic meters of dikes, and 52,656 lineal meters of vegetative barriers.
- 10 rural communities were assisted in solid waste management efforts.

Community Participation

Community participation and transparency have/are being reinforced during all phases of implementation. Six major consultations with affected communities have been held in the field in conjunction with ministries, implementing agencies and other donors with the purpose of obtaining feedback from mayors and community leaders and to make adjustments that will enhance program effectiveness.

Other U.S. Agencies

The assistance of other U.S. Agencies strongly supports USAID/El Salvador's Mitch Reconstruction Program. Significant interventions are being implemented by NOAA, USGS, and FEMA. NOAA and USGS are installing a system to prevent flooding to communities located in the lower Lempa river basin. NOAA is also installing

equipment to improve climate forecasts and an early warning system for the communities affected by flooding of the Grande de San Miguel River. FEMA is working with two municipalities located in the Lempa-Grande floodplain to organize them to mitigate the impact of disasters, in addition to strengthening the National Emergency Committee (COEN). USAID/El Salvador is taking necessary actions to assure the sustainability of these interventions. To this effect, the Mission is conducting meetings with the appropriate central and local government authorities. The response from the government of El Salvador has been positive and, in some cases, written commitment has been obtained from the authorities to continue support after USAID funds are completely used.

Overview of the Impact of the Earthquakes on the Hurricane Mitch Reconstruction Program

The earthquakes of January and February, 2001 killed 1,159 people and left 8,122 people injured. One quarter of the country population was affected. Reconstruction costs are estimated at more than \$1.9 billion.

In addressing the earthquakes, the assistance/training provided under the Hurricane Mitch Special Objective proved to be of great value. For instance, during the emergency stage, the communities and municipal emergency committees trained in disaster preparedness, such as Chirilagua and Concepcion Batres, were able to receive assistance promptly. They were able to collect damage estimates and report them to the appropriate authorities quickly and, hence, were at the head of the line when emergency assistance was delivered.

The environmental management interventions were instrumental in minimizing landslide and rock fall problems that could cause damage to families. The families benefited from conservation works such as hillside ditches, rock walls, dikes, and vegetative barriers. Only 3 of these projects suffered damages, and these

damages were minor. On the other hand, the mangroves that we put in place under Mitch reforestation activities were severely damaged because telluric movements destroyed the reticular system of the plants.

Damage assessments of the infrastructure works indicate that they did not suffer major problems. Minor damage was found in 14% of the houses and in retaining walls of two schools. Several segments of roads suffered some cracks. All these damages are being repaired under the Mitch program.

Approximately 6% of the constructed latrines suffered damages; they also are being repaired under the earthquake recovery program. Only one water system constructed under the Mitch program suffered damage and the community was able to repair it immediately using the training provided under the USAID Water and Sanitation Activity. In fact, the water systems held up so well that Mitch-assisted communities were able to help out other hard hit communities that had not benefited from the Mission's Mitch Program. Case in point is La Bendicion, Usulután department whose newly installed water system assisted neighboring communities, providing them with potable water during the emergency.

A local NGO (CORDES) that assists communities of the lower Lempa River distributed a bulletin stating that the earthquakes demonstrated that the infrastructure constructed with Mitch funds was properly constructed. This is an indication of the high quality of the infrastructure financed by USAID under the Mitch Program.

In sum, USAID/El Salvador is proud of the excellent work carried out in El Salvador under the Mitch Reconstruction Activities. These activities are reducing the vulnerability to natural disasters in over 200 communities. This was manifested in the recent earthquakes when families in Mitch assisted communities reported less damage and suffering than those in non-Mitch assisted areas.

Comments: Overall, the El Salvador reconstruction program has progressed rapidly. As of 06/30/01, 99.9% of total obligations under the program have been expended. However, additional funds have been made available for programming through GOES reimbursements of the Value - Added Tax. USAID/El Salvador is confident that these additional funds and those that remained will be completely disbursed by September 30, 2001, the Activity Completion Date.